

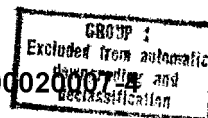
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5 December 1963

MEMORANDUM FOR: The Deputy Director of Central Intelligence**SUBJECT: Institute of Strategic Studies**

1. The Institute of Strategic Studies is the only British organization devoted to stimulating research and discussion on the kind of politico-military subjects treated in this country by government-supported organizations like RAND and IDA and the various university research centers where men like Kissinger, Schelling, Knorr, etc., are to be found. It is a private institution set up with a Ford Foundation grant in 1958 (\$50,000 a year for three years) and is now trying to become self-supporting through contributions from private industry. However, it has an impressive membership of retired military notables, MP's, professors, and journalists, and is well-connected with students of military affairs, official and unofficial, in the US and on the Continent.

2. A recent IIS-sponsored conference on NATO matters had Dean Acheson, Defense Minister Thorneycroft, and Fritz Erler of the German SPD among its speakers; in addition to a host of

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American academic participants there were two US government participants at the deputy assistant secretary level, Harry Bowen of Defense and Bob Schnetzel of State. The Director of IBS is Alistair Buchan, a former assistant editor of the Economist who later handled successively the Washington, diplomatic, and defense assignments for the Observer.

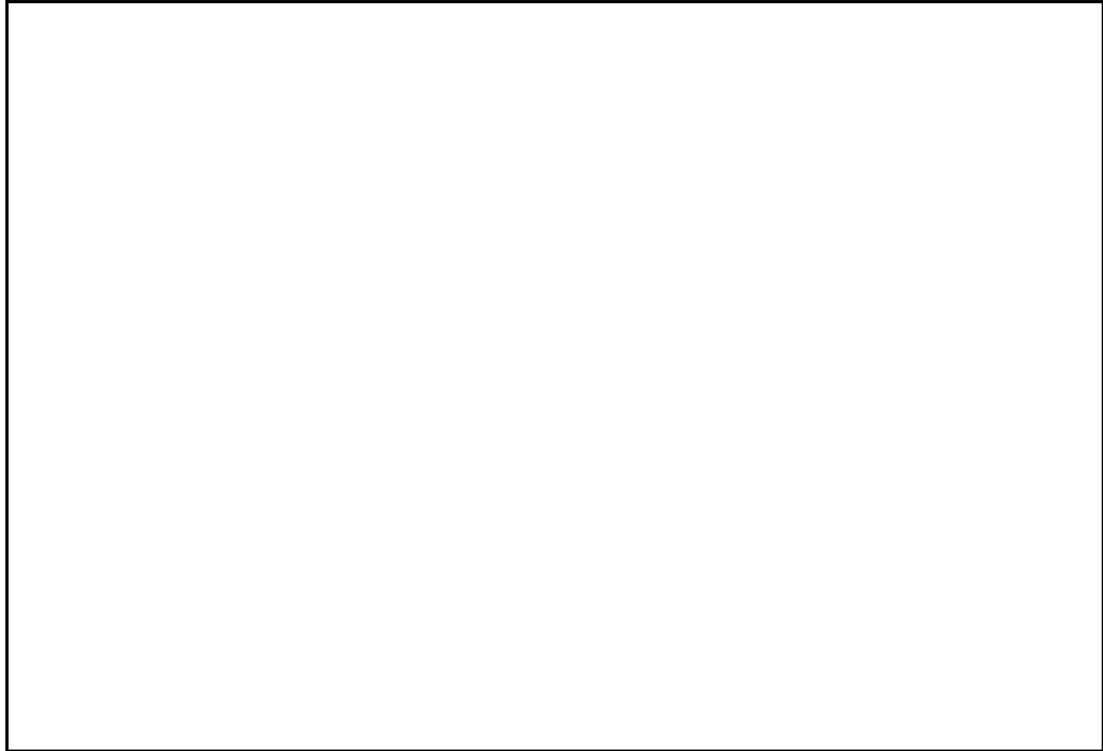
3. Although the IBS is a private organization whose publications have not hesitated to criticize British defense policy, its obvious connections with the Establishment appears to pose somewhat of a dilemma for Whitehall, which would obviously prefer to disassociate itself from the IBS completely but is fearful that erroneous statements by the latter may nonetheless be taken as authoritative and thus mislead the public. This has been particularly true of the annual compendium on The Military Balance, of which the present 1963-64 edition is the fifth. The

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5. There is attached a copy of the most recent ISS yearly study, procured for us in London. Immediately following is a statement comparing ISS figures on the main Soviet weapons categories with existing NIE figures.

SHERMAN KENT
Assistant Director
National Estimates

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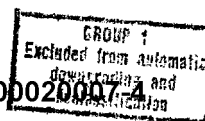
ATTACHMENT

SUBJECT: Comparison of ISS Study, The Military Balance, 1963-1964, with Current Estimates

1. The Institute for Strategic Studies paper, The Military Balance, 1963-1964, contains estimates which are generally consistent with those held in current NIE's. The order-of-battle estimates for the Communist Bloc differ in detail from our own but estimates of the Soviet forces are in most cases not significantly different. The ISS study does not present detailed technical characteristics for weapon systems which are susceptible to comparison with the NIE's. We have therefore limited our comparisons to numerical estimates on the Soviet armed forces. In the examples which follow, the ISS figures are for October 1963; the NIE figures are for the same period unless otherwise noted.

2. The estimates on Soviet military expenditures and manpower are fairly close. The ISS study estimates military expenditures in 1963 of 15.4 billion rubles with a dollar equivalent of \$3.4 billion. Comparable 1962 figures from

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NIE 11-4 are 18 billion rubles and \$45 billion, and our estimates for 1963 will probably be slightly higher. However, our figures include expenditures for military R and D and space, and the IBS figures do not; this probably accounts for most of the apparent difference. Estimated personnel strength is almost identical: 3.3 million men in the IBS study and 3.325 million in NIE 11-4. Our estimate was for December 1962; we doubt that substantial changes have occurred since then. IBS holds that Soviet forces have been reduced by some 300,000 men in the past year, but this probably reflects a lag in information. The IBS breakdown of personnel strength by force component is less detailed than that in NIE 11-4, but it appears to be comparable.

3. Most of the IBS figures on long-range strike forces are also close to our recent estimates. IBS estimates: 100 ICBM's vs. 105-120; 750 MRBM's vs. 690-735 MRBM's/IRBM's; 190 heavy bombers vs. 180-205; and 1,000 medium bombers vs. 940-975. In this category the major difference lies in submarine-launched ballistic missiles. IBS estimates about 30 ballistic missile submarines carrying a total of 90 SSBN's; we estimate about 50 such

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submarines carrying a total of 140-145 missiles. ISS refers to a 100 n.m. submarine-launched cruise missile (we estimate a 300 n.m. range), but does not estimate numbers or types of cruise-missile submarines. Moreover, ISS does not appear to be aware that the Soviets have nuclear-powered missile submarines operational.

4. Some differences exist between ISS estimates of theater field forces and those held in current KIE's. ISS estimates 150 line divisions (75 combat ready) vs. our December 1962 estimate of 145 line divisions (72 combat ready). ISS also estimates a greater mobilization and reinforcement capability than we do. Again, the higher ISS figures may reflect a lag in information; we would estimate somewhat fewer divisions at present. Aside from the missile submarine estimates noted above, no major differences are apparent in estimates of naval forces. The ISS study is probably weakest in its appraisal of Soviet air defense forces. Numbers are given only for fighters, the estimated composition of the fighter force is way off, the technical

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characteristics given for SAM's are incomplete and wrong, and no mention is made of AIM deployment.

Conclusion

5. Although most of the figures in the ISS study are close to those carried in current NIE's (and some are identical), we doubt that its authors had direct access to our estimates. The apparent gaps and lags in information render this highly improbable.

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